

EXHIBIT "D"

TO DECLARATION OF CONDOMINIUM

ALLOCATED INTERESTS

EXHIBIT "D"

Allocated Interests

FORT LAUDERDALE RESIDENCES, A HOTEL CONDOMINIUM

Each Unit shall have as an appurtenance thereto an undivided share of ownership in the Common Elements and Common Surplus, together with an obligation to pay a pro rata share of the Common Expenses, each of which is expressed as a percentage and is based on the square footage of the respective Unit relative to the total square footage of all Units in the Condominium.

The percentage shares allocated to each Hotel Condominium Unit and to the Shared Facilities Unit are set forth below:

<u>Unit Type</u>	<u>Unit Numbers of Units of this Type</u>	<u>% Share per Unit Type</u>		<u>Number of Units Per Unit Type</u>		<u>Total % Share Per Unit Type</u>
01	502	0.4119%	X	1	=	0.4119%
02	501	0.2613%	X	1	=	0.2613%
03	503	0.2677%	X	1	=	0.2677%
04	505, 605, 705, 805, 905, 1005, 1105, 1205, 1405, 1505	0.4252%	X	10	=	4.2516%
05	507	0.4266%	X	1	=	0.4266%
06	509	0.4482%	X	1	=	0.4482%
07	508	0.4539%	X	1	=	0.4539%
08	506	0.4252%	X	1	=	0.4252%
09	504, 604, 704, 804, 904, 1004, 1104, 1204, 1404, 1504	0.4252%	X	10	=	4.2516%
10	602, 702, 802, 902, 1002, 1102, 1202, 1402, 1502, 1602, 1702, 1802, 1902, 2002, 2102, 2202, 2302, 2402	0.4805%	X	18	=	8.6490%
11	601, 701, 801, 901, 1001, 1101, 1201, 1401, 1501, 1601, 1701, 1801, 1901, 2001, 2101, 2201, 2301, 2401	0.2613%	X	18	=	4.7029%
12	603, 703, 803, 903, 1003, 1103, 1203, 1403, 1503, 1603, 1703, 1803, 1903, 2003, 2103, 2203, 2303, 2403	0.2677%	X	18	=	4.8194%
13	607, 707, 807, 907, 1007, 1107, 1207, 1407, 1507, 1607, 1707	0.4252%	X	11	=	4.6767%
14	609, 709, 809, 909, 1009, 1109, 1209, 1409, 1509, 1609, 1709, 1809, 1909, 2009, 2109, 2209, 2309, 2409	0.4482%	X	18	=	8.0668%
15	608, 708, 808, 908, 1008, 1108, 1208, 1408, 1508, 1608, 1708, 1808, 1908, 2008, 2108, 2208, 2308, 2408	0.4539%	X	18	=	8.1703%
16	606, 706, 806, 906, 1006, 1106, 1206, 1406, 1506, 1606, 1706	0.4252%	X	11	=	4.6767%
17	1605	0.4252%	X	1	=	0.4252%
18	1604	0.4252%	X	1	=	0.4252%
19	1705	0.4252%	X	1	=	0.4252%
20	1704	0.4252%	X	1	=	0.4252%
21	1805, 1905, 2005, 2105, 2205, 2305, 2405	0.4252%	X	7	=	2.9761%
22	1807, 1907, 2007, 2107, 2207, 2307, 2407	0.4252%	X	7	=	2.9761%
23	1806, 1906, 2006, 2106, 2206, 2306, 2406	0.4252%	X	7	=	2.9761%
24	1804, 1904, 2004, 2104, 2204, 2304, 2404	0.4252%	X	7	=	2.9761%
N/A	Shared Facilities Unit	31.4353%	X	1	=	31.4353%
				172		100.0000%

EXHIBIT "E"

TO DECLARATION OF CONDOMINIUM

ARTICLES OF INCORPORATION OF
FORT LAUDERDALE RESIDENCES HOTEL
CONDOMINIUM ASSOCIATION, INC.

**ARTICLES OF INCORPORATION
OF
FORT LAUDERDALE RESIDENCES
HOTEL CONDOMINIUM ASSOCIATION, INC.**

(A Florida Corporation Not for Profit)

To form a corporation not for profit, under and in accordance with Chapter 617 of the Florida Statutes ("NFP Act"), the undersigned Incorporator hereby incorporates this corporation not for profit for the purposes and with the powers set forth in these Articles of Incorporation as they may be amended, modified, or restated from time to time (the "Articles") and hereby adopts the Articles that follow. Capitalized terms used in these Articles that are not otherwise defined in these Articles shall have the meanings that are set forth in the Declaration of Condominium of the Fort Lauderdale Residences, a Hotel Condominium, that is recorded or is to be recorded in the Public Records of Broward County, Florida (the "Declaration").

**ARTICLE I.
NAME AND ADDRESS**

The name of the corporation not for profit shall be FORT LAUDERDALE RESIDENCES HOTEL CONDOMINIUM ASSOCIATION, INC., a Florida not for profit corporation ("Association" or "Corporation"). The initial principal office and mailing address of the Corporation shall be 515 East Las Olas Boulevard, Suite 1050, Fort Lauderdale, Florida 33301.

**ARTICLE II.
TERM OF EXISTENCE**

The Association shall have perpetual existence.

**ARTICLE III.
PURPOSE**

The purpose for which the Association is organized is to provide an entity pursuant to Section 718.111 of the Florida Condominium Act (the "Act") for the operation of a condominium located in Broward, County, Florida, known as the FORT LAUDERDALE RESIDENCES, a HOTEL CONDOMINIUM (the "Condominium"). The Condominium is being created pursuant to the provisions of the Act and shall be the only one administered by the Association.

**ARTICLE IV.
POWERS**

The powers of the Association shall include and be governed by the following provisions:

A. General. The Association shall have all of the common law and statutory powers of a corporation not for profit under the NFP Act that are not in conflict with the provisions of the Act, the Declaration, these Articles or the Bylaws.

B. Enumeration. The Association shall have all the powers and duties of an association under the Act and those granted to the Association under the Declaration, but excluding those delegated to the Shared Facilities Unit Owner, Adjoining Parcel Owner and/or their designees as provided in the Condominium Documents and the Restrictions and Easements Agreement, these Articles and the Bylaws that are necessary to operate the Condominium consistent with its purposes, including, but not limited to, those set forth below and pursuant to the Condominium Documents. The provisions of the Declaration and the Bylaws granting such powers and duties are incorporated in and made a part of these Articles.

1. To make and enforce reasonable Rules and Regulations governing the use of the Condominium Property (excluding the Shared Facilities Unit) consistent with the Declaration for the conservation, maintenance, management, operation and use of the Condominium Property and for the comfort, enjoyment, health, safety and welfare of the Hotel Condominium Unit Owners and the Shared Facilities Unit Owner.

2. To make, levy, collect and enforce Assessments and any other charge, fee or fine which may be imposed by the Association but not the Shared Facilities Unit Owner, Adjoining Parcel Owner or their designees, as provided in the Declaration, these Articles or the Bylaws against Hotel Condominium Unit Owners in order to provide funds to pay for the expenses of the Association and for the Common Expenses in the manner provided in the Condominium Documents and the Act; and to use and expend the proceeds of such sums in the exercise of the powers and duties of the Association.

3. In accordance with the Declaration and the Act, to lease, maintain, repair and replace the Common Elements and other property acquired or leased by the Association, and in accordance with the Declaration and the Act, to construct or reconstruct improvements on the Condominium Property and other property acquired or leased by the Association in the event of casualty or other loss unless provided otherwise in the Condominium Documents and/or Restrictions and Easements Agreement.

4. To enforce by legal means the provisions of the Act, the Condominium Documents, including any rules and regulations of the Association, subject, however, to the limitation regarding

assessing Hotel Condominium Units owned by Developer for fees and expenses relating in any way to claims or potential claims against Developer as set forth in the Declaration, the Bylaws or both.

5. To employ personnel, to retain independent contractors and professional personnel, to enter into service contracts to provide for any type of service that is to be provided to the Condominium Property, and for the maintenance, operation and management of the Condominium Property, and to enter into any other agreements consistent with the purposes of the Association, including, but not limited to, agreements as to the management of the Condominium Property (who may be an affiliate of Developer) and agreements to acquire possessory or use interests in land or facilities for the enjoyment, recreation or other use or benefit of the Hotel Condominium Unit Owners and the Shared Facilities Unit Owner and to provide therein that the expenses of such land and facilities and any other improvements thereon, including taxes, insurance, utility expenses, maintenance and repairs, are Common Expenses. Subject to the provisions of the Condominium Documents and the Restrictions and Easements Agreement, the Association, through its Directors and Officers, shall retain at all times the powers and duties granted by the Act, including, but not limited to, the making of Assessments, promulgation of rules and regulations and execution of contracts on behalf of the Association.

6. To purchase: (i) insurance upon the Condominium Property and insurance for the protection of the Association, its Directors, Officers and Unit Owners; (ii) a Hotel Condominium Unit for any manager or other staff person for the operation of the Association, whether an employee of the Association or any management company and obtain financing as is necessary to effectuate the same; (iii) other real and/or personal property as determined by the Association.

C. Condominium Property. All funds and the titles to all properties acquired by the Association, and their proceeds, shall be held for the benefit and use of the Members in accordance with the provisions of the Declaration, these Articles and the Bylaws.

D. Distribution of Income; Dissolution. Subject to the provisions of the Declaration, specifically but without limitation, Section 19 thereof, the Association shall make no distribution of income to its Members, Directors or Officers. Upon dissolution, all assets of the Corporation shall be transferred only to another not for profit corporation or to a public agency or as otherwise authorized by the Act.

E. Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the NFP Act, the Act, the Declaration, these Articles and the Bylaws.

ARTICLE V. MEMBERS

Until the Condominium regime is created by recordation of the Declaration, the initial Members of the Association shall be the three (3) initial members of the Board selected by the Incorporator of the Association and named below. After the Condominium regime is created, the Members of the Association shall consist of all record title owners from time to time of Hotel Condominium Units and of the Shared Facilities Unit. Initially, the Developer, as owner of all the Hotel Condominium Units and of the Shared Facilities Unit, will be the sole Member of the Association. Thereafter, membership shall be established by the acquisition of a Hotel Condominium Unit or the Shared Facilities Unit, as evidenced by the recording of a Deed or other instrument of conveyance in accordance with the Bylaws, and after the termination of the Condominium, shall also consist of those who were Members at the time of the termination, and their successors and assigns. The qualification of Members of the Association, the manner of their admission to membership in the Association, the manner of their termination of membership, and the manner of their voting shall be as regulated by the Bylaws.

ARTICLE VI. BOARD OF DIRECTORS

A. Number and Qualifications. The Incorporator has selected three (3) initial members of the Board of Directors (each, a "Director") who shall hold office until their successors are elected, have qualified and taken office, or until they are removed or replaced in accordance with the Bylaws. The name and address of each Director is set forth below. Thereafter, the Directors shall be elected on an annual basis in the manner and for the terms provided in the Bylaws. The number of Directors may be increased or decreased from time to time as provided in the Bylaws, but the Corporation must never have fewer than three (3) Directors.

1. John J. Yanopolous
c/o Colonial Development Group, LLC,
Suite 1050, 515 East Las Olas Boulevard,
Fort Lauderdale, Florida 33301
2. Daniel E. Adache
c/o Colonial Development Group, LLC,
Suite 1050, 515 East Las Olas Boulevard,
Fort Lauderdale, FL 33301
3. Jerrold R. Krystoff
c/o Colonial Development Group, LLC
Suite 1050, 515 East Las Olas Boulevard,
Fort Lauderdale, FL 33301

B. Duties and Powers. The Directors shall be vested with all the power and authority to supervise, control, direct and manage the property, affairs and activities of the Corporation, subject only to approval by Members when such approval is specifically required. Their duties, qualifications, rights, powers

and privileges shall be fixed in the Bylaws as well as the manner in which they may be selected, removed and replaced.

ARTICLE VII. OFFICERS

The affairs of the Corporation shall be managed by the President, any Vice President, Secretary, Treasurer (each, an "Officer") and such other officers as may be designated by the Board of Directors in compliance with the Bylaws. The Officers of the Corporation shall be appointed by the Board of Directors on an annual basis in the manner provided in the Bylaws. The duties, qualifications, rights, powers and privileges of the Officers shall also be fixed in the Bylaws as well as the manner in which they may be selected, removed and replaced.

ARTICLE VIII. INDEMNITY

To the fullest extent permitted by the provisions of the NFP Act, or by other applicable law, including, without limitation, the Act, the Association shall indemnify, defend, and hold harmless each member of the Board of Directors and each Officer or former Director or Officer of the Association (and the Directors and/or Officers, both current and former, as a group) (each, an "Indemnified Person") for expenses and liabilities, including counsel fees and disbursements (at all trial and appellate levels) incurred by or imposed upon the Indemnified Person in connection with any action, suit or proceeding whether civil, criminal, administrative or investigative asserted in court or otherwise asserted in any Dispute, proceeding, litigation or settlement in which he or she may become involved by reason of his or her being or having been a Director, Officer, or both of the Association (or by being or having been an agent, employee or other official of the Corporation as to whom the Corporation, by written agreement, has agreed to indemnify). The foregoing provisions for indemnification shall apply whether he or she is a Director or Officer at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions in these Articles shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where a Director or Officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or Officer may be entitled, whether by statute or common law. The indemnification hereby afforded to Directors and Officers shall also extend to any entity other than the Association found responsible or liable for the actions of such individuals in their capacity as Directors or Officers, including, but not limited to Developer. By written agreement, the Board of Directors may indemnify other agents, employees or other officials of the Corporation under comparable terms and limitations with respect to activities within the scope of their services on behalf of the Corporation.

ARTICLE IX. BYLAWS

The Bylaws shall be adopted by the Board of Directors, and may be altered, amended or repealed in the manner provided in the Bylaws and the Declaration.

ARTICLE X. AMENDMENT

A. Before Recordation of Declaration. Before the Declaration of Condominium is recorded in the Public Records of Broward County, these Articles may be amended by an instrument in writing signed by the President (or a Vice President) and the Secretary (or an Assistant Secretary) and filed in the Office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendment and give the date of adoption of the amendment by the Board. A certified copy of each such amendment shall always be attached to any certified copy of these Articles or a certified copy of the Articles as restated to include such amendment and shall be an exhibit to the Declaration upon the recording of the Declaration. This Article X is intended to comply with the NFP Act.

B. After Recordation of Declaration. After the Declaration is recorded, these Articles may be amended in the following manner:

1. The Board, as a whole, shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either the Annual Meeting or a Special Meeting. Any number of amendments may be submitted to the Members and voted upon by them at one meeting;

2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote within the time and in the manner provided in the Bylaws for the giving of notice of meetings of Members;

3. At such meeting a vote of the Members shall be taken on the proposed amendments. The proposed amendments, subject to the limitations described in Article X(C) below, shall be effective upon the adoption by not less than a majority of the Directors and an affirmative vote of not less than eighty percent (80%) of the total Voting Interests of all Members; and, where such amendment directly or indirectly affects the Shared Facilities Unit or the Shared Facilities Unit Owner, the adoption by not less than an affirmative vote of eighty percent (80%) of the total Voting Interests of the Hotel Condominium Unit Owners and the consent of the Shared Facilities Unit Owner shall be required; or

4. An amendment may be adopted by a written statement signed by all Directors and the written consent of Members representing Voting Interests sufficient to pass the amendment at a meeting [where all Directors are present] and setting forth their intention that an amendment to the Articles be adopted. Where an amendment is passed by written consent in lieu of a meeting, those Members not submitting a written consent shall be notified in writing of the passage of the amendment.

5. To the extent lawful, the Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

6. Notwithstanding the foregoing, amendments shall be proposed and adopted in the manner provided in Chapter 617, Florida Statutes and in the Act (the latter to control to the extent provided for in the Act).

C. Declaration Limitations. No amendment may be made to these Articles that shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration. No amendment to these Articles is valid unless recorded with identification on the first page thereof of the book and page of the public records where the Declaration is recorded.

D. Filing and Recording. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and, after the recordation of the Declaration, recorded in the Public Records of Broward County, Florida, as an amendment to the Declaration. Where the joinder or consent of the Shared Facilities Unit Owner is required for any such amendment, the joinder by execution of the amendment by the Shared Facilities Unit Owner shall be required for the amendment to be effective.

E. Articles Limitations. Notwithstanding any contrary provision in these Articles, the provisions of Article VIII and Article IX may not be amended without the unanimous vote of the Board of Directors and an affirmative vote of not less than eighty percent (80%) of the total Voting Interests of all Members.

F. Other Limitations. Notwithstanding the foregoing provisions of this Article X, in addition to the limitations in of Article X(E), there shall be no amendment to these Articles that shall abridge, amend or alter the rights of Developer, including the right to designate and select the Directors as provided in Article VI above and in the Bylaws, without the prior written consent of Developer, nor shall there be any amendment to these Articles that shall abridge, alter or modify the rights of Developer, or of the holder, guarantor or insurer of a first mortgage lien on any Hotel Condominium Unit or on the Shared Facilities Unit or of any Institutional Mortgagee (as defined in the Declaration) without such party's prior written consent to the degree this provision is permitted by the Act, nor shall there be any amendment to these Articles that shall make changes in the qualifications of Members or the voting rights or property rights of Members without the approval in writing of all Members and the joinder of all record holders, guarantors or insurers of first mortgage liens on Hotel Condominium Units or on the Shared Facilities Unit or of any Institutional First Mortgagee when such joinder is specifically required.

ARTICLE XI. DEVELOPER

"Developer" means **Capri Resorts, LLC, a Florida limited liability corporation**, its successors and such of its assigns as to which the rights of Developer are specifically assigned. Developer may assign all or a portion of such rights. In the event of any partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a nonexclusive basis. A Hotel Condominium Unit Owner shall not be considered, solely by virtue of purchasing a Hotel Condominium Unit, a successor or assign of Developer or of the development rights of Developer under the Condominium Documents, unless such Hotel Condominium Unit Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer. The rights of Developer are independent of the Developer's rights to control the Board of Directors of the Association, and, accordingly, shall not be deemed waived, transferred or assigned to the Unit Owners, the Board or the Association upon the transfer of control of the Association.

ARTICLE XII. INITIAL REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 2200 NW Corporate Boulevard, Suite 401, Boca Raton, Florida 33431, and the name of the initial Registered Agent of the Association at that address shall be HCRM Corporation, a Florida corporation.

ARTICLE XIII. INCORPORATOR

The name and address of the person ("Incorporator") signing these Articles are:

Hunt, Cook & Gross, P.A.
2200 NW Corporate Boulevard, Suite 401
Boca Raton, Florida 33431

IN WITNESS WHEREOF, the Incorporator has signed his name this ____ day of _____, 200__.

HUNT, COOK & GROSS, P.A.

By: _____
Andrew M. Gross, Vice President

STATE OF FLORIDA)
) ss.:
COUNTY OF PALM BEACH)

Before me, the undersigned authority, personally appeared Andrew M. Gross as Vice President of and on behalf of Hunt, Cook & Gross, P.A., who is personally known to me.

Sworn to before me this ____ day of _____, 200__.

Notary Public, State of Florida

[NOTARY SEAL]

Typed, printed or stamped name of Notary

Commission No.:
My Commission Expires:

ACCEPTANCE OF DESIGNATION AS INITIAL REGISTERED AGENT

The undersigned hereby accepts the designation of Registered Agent of the Fort Lauderdale Residences Hotel Condominium Association, Inc., as set forth in Article XII of these Articles, and acknowledges that he is familiar with and accepts the obligations imposed upon Registered Agent under the NFP Act.

HCRM Corporation, a Florida corporation

By: _____
Andrew M. Gross, Vice President

EXHIBIT "F"

TO DECLARATION OF CONDOMINIUM

BY-LAWS OF
FORT LAUDERDALE RESIDENCES HOTEL
CONDOMINIUM ASSOCIATION, INC.

BYLAWS
OF
FORT LAUDERDALE RESIDENCES
HOTEL CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not For Profit)

Section 1. Identity of Association.

1.1 Principal Office. The principal office of the Fort Lauderdale Residences Hotel Condominium Association, Inc. (the "Association") shall be initially located c/o Colonial Development Group, LLC, Suite 1050, 515 East Las Olas Boulevard, Florida 33301. Thereafter, the principal office of the Association may be located at any place designated by the Board. All books and records of the Association shall be kept at its principal office.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Not For Profit Corporation" and the year of incorporation.

Section 2. Definitions.

2.1 General. Capitalized terms used in these Bylaws shall have the same definition and meaning as those that are set forth in the Declaration of Condominium for the Fort Lauderdale Residences, a Hotel Condominium, recorded in the Public Records of Broward County, Florida, unless otherwise defined in these Bylaws, or unless the context otherwise requires. It is noted that Section 5.2 of the Declaration clarifies who are "members" of the Association.

Changes; Construction. Notwithstanding any contrary provision in these Bylaws, references to any of the Condominium Documents shall be deemed to include all amendments, modifications or restatements to such documents. Whenever the context permits or requires, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

2.2 Developer. "Developer" means **Capri Resorts, LLC, a Florida limited liability corporation**, its successors and such of its assigns as to which the rights of Developer are specifically assigned. Developer may assign all or any portion of such rights. In the event of any partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a nonexclusive basis. A Hotel Condominium Unit Owner shall not be considered, solely by virtue of purchasing a Hotel Condominium Unit, a successor or assign of Developer or of the development rights of Developer under the Condominium Documents, unless such Hotel Condominium Unit Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer. The rights of Developer are independent of the Developer's rights to control the Board of Directors of the Association, and, accordingly, shall not be deemed waived, transferred or assigned to the Unit Owners, the Board or the Association upon the transfer of control of the Association.

Section 3. Meetings; Purpose; Notice; Waiver; Actions in Lieu; Quorums; Voting and Proxies.

3.1 Annual Meeting. The annual meeting of the Members ("Annual Meeting") shall be held at the Condominium Property or at such other place in the County as determined by the Board. The date and the time of the Annual Meeting shall also be determined from time to time by the Board and designated in the Notice of Annual Meeting that is sent to the Members. Annual Meetings shall be held every calendar year, and, to the extent possible, no later than thirteen (13) months after the last preceding Annual Meeting. Unless changed by the Board, the first Annual Meeting shall be held on the first Wednesday in the month of February following the year in which the Declaration is filed.

3.2 Purpose. The purpose of the Annual Meeting, except as provided in these Bylaws to the contrary, shall be to elect Directors (subject to the provisions of Article VI of the Articles and Section 5 of these Bylaws), to hear reports of the Officers and to transact any other business authorized to be transacted by the Members, or as stated in the Notice of Annual Meeting sent in advance to Members.

3.3 Special Meetings. Special meetings of Members ("Special Meetings") shall be held at such places as are provided in these Bylaws for Annual Meetings. Special Meetings may be called by the President or by a majority of the Board, and must be called by the President or Secretary upon receipt of a written request from a majority of the Members. The business conducted at a Special Meeting shall be limited to the purpose stated in the Notice of Special Meeting sent in advance to Members.

3.4 Notice of Meeting. Except as otherwise provided in these Bylaws, written notice of a meeting (whether for an Annual Meeting, a Special Meeting or otherwise) ("Notice") shall be given by the President or Secretary. The Notice shall state the time and place of the meeting, the purposes for which the meeting is called and include the agenda of the meeting. At least fourteen (14) continuous days prior to the meeting, a copy of each Notice shall be posted in a conspicuous place on the Condominium Property or Association Property designated by the Board for such purpose and set forth in the Rules and Regulations. Unless a Member waives in writing the right to receive Notice of the meeting, written Notice shall be mailed or hand delivered to that Member in the manner required by the Act, not less than fourteen (14) days, nor more than sixty (60) days, prior to the date of the meeting. The delivery or mailing of a Notice shall be to the address last furnished by the Member as it appears on the books and records of the Association. The person providing Notice of the meeting shall provide an Affidavit, or United States Postal Service certificate of mailing, to be included in the official records of the Association affirming that the Notice was mailed or hand delivered. If a meeting of the Members, either a Special Meeting or an Annual Meeting, is one which, by express provision of the Act or Condominium Documents (provided the express provision of the Condominium Documents is in accordance with the requirements of the Act) there is permitted or required a greater or lesser amount of time for the mailing or posting of Notice than is required or permitted by the provisions of this Section 3.4, such express provision shall govern.

Any notices required to be given to any Unit Owner hereunder may be provided electronically if the Unit Owner consents to receive such notices by electronic means. However, the Association shall not be required to provide notices by electronic means even if a Unit Owner consents to receive notices electronically. In any event, a Unit Owner desiring to receive notices electronically shall provide the electronic mail address(es) and/or facsimile telephone number(s) that the Association may use for such purposes. The information provided will become a part of the roster of Unit Owners required to be maintained by the Association and, therefore, will be disclosed to any Unit Owner requesting a copy of the roster. If a Unit Owner revokes his or her consent to receive notices by electronic transmission, the electronic mailing addresses and telephone numbers will be removed from Association records. In no event shall the Association be liable for an erroneous disclosure of the electronic mail address(es) or the number(s) for receiving electronic transmission of notices. All procedures concerned with the delivery of notices by electronic means shall be governed by the rules and regulations adopted by the Board from time to time.

3.5 Waiver of Notice. Any Member may waive their right to receive Notice of a meeting before or after the meeting. The attendance of any Member (or of the person authorized to vote for that Member) shall constitute that Member's waiver of Notice of such meeting, except when the Member's (or the Member's authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.6 Quorums. A quorum at an Annual or a Special Meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast in excess of a majority of the Voting Interests of Members in good standing. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the Voting Interests present, either in person or by proxy, shall be required to decide the question. However, if the question is one which, by express provision of the Act or the Condominium Documents (provided the express provision of the Condominium Documents is in accordance with the requirements of the Act), requires a vote other than the majority vote of a quorum, such as any action requiring the affirmative vote of 80% of the Voting Interests of all Unit Owners, then such express provision shall govern and control the required vote on the decision of such question. If the voting rights of any Member are suspended pursuant to a provision of the Declaration, these Bylaws or applicable Rules and Regulations, the vote of such suspended Member shall not be counted for the purpose of determining the presence of a quorum and the total number of authorized votes shall be reduced accordingly during the period of such suspension. The voting rights of the Shared Facilities Unit Owner shall never be suspended for any reason whatsoever; any attempted amendment of this provision shall be null and void and unenforceable.

3.7 Voting. Except as otherwise provided in these Bylaws, and except when the vote is to be determined by Percentage Shares in the Condominium (as may be contemplated in specific parts of the Declaration, if at all), in any meeting of Members, Hotel Condominium Unit Owners shall be entitled to cast one (1) vote for each Hotel Condominium Unit owned, including the Developer for each Unit owned by it, and the owner of the Shared Facilities Unit shall be entitled to cast seventy-one (71) votes for the Shared Facilities Unit that it owns, which votes shall be exercised and cast in accordance with the applicable Condominium Documents. The vote of a Unit shall not be divisible; however, the vote of the Shared Facilities Unit may be divisible in the sole and absolute discretion of the Shared Facilities Unit Owner unless otherwise prohibited by the law. Except as to the permitted issuance of a proxy, no Member shall permit any other person to cast his or her ballot unless they require assistance in accordance with Section 101.051, Florida Statutes. Any ballots improperly cast shall be considered invalid. Any Member who violates this provision may be fined by the Association in accordance with Section 718.303 of the Act. The procedures for the nomination of candidates and voting in elections shall be as provided in Section 718.112(2)(d)3 of the Act. Elections shall be decided by a plurality of those ballots and votes cast. There shall be no cumulative voting allowed and no quorum requirement. However, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election. An election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

3.8 Majority Vote. The acts approved by a majority of the Voting Interests present, either in person or by proxy, at a meeting at which a quorum shall have been attained shall be binding upon all Members for all purposes, except where otherwise provided by law, in the Declaration, the Articles or these Bylaws. The terms "majority of the Hotel Condominium Unit Owners" and "majority of the Members" shall mean a majority of the Voting Interests of such respective Members, not a majority of the Members themselves. The terms shall further mean in excess of fifty percent (50%) of the then total authorized votes present, either in person or by proxy, and voting at any meeting of the Member at which a quorum shall have been attained. Similarly, if some greater percentage of Voting Interests is required in the Act, these Bylaws, in the Declaration or in the Articles, it shall mean such greater percentage of the votes of Members, not of the Members themselves.

3.9 Proxies. Except as provided otherwise herein or by the Act or the Declaration, Members may cast their Association votes in person or by limited proxy. Limited proxies may be used in elections to fill vacancies caused by recall, but in no event shall proxies be used in electing the Board, in general elections, or in elections to fill vacancies caused by resignation, or otherwise, unless otherwise provided in the Act. Limited proxies shall be permitted for votes taken for any other matter requiring or permitting a vote of Members, including but not limited to, to: waive or reduce reserves, if any; waive financial statements; and amend the Declaration, the Articles of Incorporation or Bylaws. A limited proxy may be made by any person entitled to vote on Association matters, but shall only be valid for the specific meeting for which it was originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, signed by the person authorized to cast the vote for the respective Hotel Condominium Unit or Shared Facilities Unit, name the authorizing person and the person being authorized to vote, and be filed with the Secretary before the appointed time of the meeting or any adjournment thereof. Each proxy shall contain the date, time and place of the meeting for which it is given and shall set forth the matters on which the proxy holder may vote and the manner in which the vote is to be cast. There shall be no limit on the number of proxies that may be held by any person. If the proxy expressly provides for substitution, the proxy holder may appoint in writing a substitute to act in his or her place, but if such provision is not included in the proxy, no substitution is permitted.

3.10 Adjourned Meetings. If any meeting of the Members cannot be properly held because a quorum of Members is not present, the Members who are present, either in person or by proxy, may adjourn the meeting from time to

time until such time as a quorum is present, provided, Notice of the newly scheduled meeting is given in the manner required for the giving of Notice of a meeting. Except as provided in these Bylaws, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting

3.11 Action in Lieu of Meeting. To the extent permitted by law, any action required to be taken or which may be taken at any Annual Meeting or Special Meeting, may be taken without a meeting. Notice of the matter or matters to be considered by written agreement in lieu of meeting shall be given to the Members or may be waived, as provided in Section 3.4 above. The Notice shall set forth a reasonable time period during which time a response must be made by a Member, but in any event not less than thirty (30) days, and responses received after that date shall not be considered. Any written consent may be revoked prior to the date the Association receives the required number of consents to authorize the proposed action. Any revocation is not effective unless it is in writing and until it is received by the Secretary or other authorized agent. The decision of a majority of a quorum of the Voting Interests (as evidenced by written response to be solicited in the Notice) shall be binding on the Members, provided, a quorum of the Members submits a response. However, if the question is one upon which, by express provisions of the Act or the Condominium Documents (provided the express provisions of the Condominium Documents are in accordance with the requirements of the Act), requires a vote of other than a majority vote of a quorum, such as any action requiring the affirmative vote of 80% of the Voting Interests of all Unit Owners, then such express provision shall govern and control the required vote on the decision of such question. Within ten (10) days after obtaining such authorization by written consent, Notice must be given to Members who have not consented in writing. The Notice shall fairly summarize the material features of the authorized action.

3.12 Ballot. Any Member may demand at any time prior to a vote upon any matter at a meeting of the Members, that the vote on such matter be held by secret ballot. The chairperson of the meeting shall call for nominations for inspectors of election to collect and tally written ballots upon the completion of balloting upon the subject matter.

3.13 Participation. Members shall have the right to participate in meetings of Members with reference to all designated agenda items in accordance with the Rules and Regulations adopted by the Association governing frequency, duration and manner of participation. In addition, any Member may tape record or videotape such a meeting in accordance with the Rules and Regulations adopted by the Association governing such recordings, as set forth in the Rules and Regulations.

3.14 Order of Business. If a quorum has been attained, the order of business at Annual Meetings, and, if applicable, at other meetings of the Members, shall be:

3.14.1. Call to order;

3.14.2. Appointment of a chairperson, who need not be a Member or a Director unless the President or Vice President is present, in which case he or she will preside;

3.14.3. Calling the roll, certifying proxies and determining a quorum;

3.14.4. Proof of Notice of Meeting or Waiver of Notice;

3.14.5. Reading of minutes;

3.14.6. Reports of Officers;

3.14.7. Reports of committees;

3.14.8. Appointment of inspectors of elections;

3.14.9. Determination of number of Directors to be elected;

3.14.10. Election of Directors;

3.14.11. Unfinished business;

3.14.12. New business; and

3.14.13. Adjournment.

3.15 Delinquent Owners. If any Assessment or other charge, fee or Fine, in whole or in part, imposed against a Member remains unpaid for thirty (30) days after the date it is due and payable, the Member's, excluding in all instances the Shared Facilities Unit Owner, voting rights shall be automatically suspended from such date until all such past due funds are paid. Upon payment, the voting rights of such Member shall be automatically reinstated.

3.16 Failure to Elect Director Quorum. If the Association or the Board fails to fill vacancies on the Board sufficient to constitute a quorum, any Member may apply to the Circuit Court within whose jurisdiction the Condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and legal fees and expenses. The receiver shall have all the powers and duties of a duly-constituted Board of Directors and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

3.17 Actions Specifically Requiring Member Approval. The following actions require approval by the Members in the percentages described in the Condominium Documents and the Act if not set forth therein, and the consent of the Shared Facilities Unit Owner if it or the Shared Facilities Unit is affected, directly or indirectly, by such amendment, and may not be taken by the Board of Directors acting alone:

3.17.1. Amendments to the Declaration, except those made by the Developer recording a Certificate of Surveyor, or as otherwise provided in the Declaration;

3.17.2. Merger of two or more independent condominiums in a single complex to form one;

3.17.3. Purchase of land or recreation lease;

3.17.4. Cancellation of grants or reservations made by the Declaration or lease or other document and any contract made by the Association before the transfer of control of the Association from Developer to the Members (other than Developer) that provides for operation, maintenance or management of the Association or property serving the Members;

3.17.5. Exercise of options to purchase recreational or other commonly used facilities lease;

3.17.6. Providing no reserves, or less than adequate reserves, if any;

3.17.7. Recall of any Director; and

3.17.8. Any other matter contained in the NFP Act, the Act, the Declaration, the Articles or these Bylaws that specifically require a vote of the Members and/or consent of the Shared Facilities Unit Owner.

Section 4. Members; Membership.

4.1 Before Recordation of the Declaration of Condominium. Until the Land is submitted to condominium ownership by the recordation of the Declaration, the membership of the Association shall consist only of the three (3) initial members of the Board selected by the Incorporator of the Association.

4.2 After Recordation of the Declaration of Condominium. After the Land is submitted to condominium ownership by the recordation of the Declaration, the Members, which shall mean in the first instance the Developer as owner of all the Hotel Condominium Units and the Shared Facilities Unit, shall be entitled to exercise all of the rights and privileges of Members.

4.3 Membership. Except as set forth above, membership in the Association shall be established by the acquisition of a Hotel Condominium Unit or the Shared Facilities Unit as evidenced by the recording of a Deed or other instrument of conveyance in the Public Records. When membership has been established, the membership of the prior Hotel Condominium Unit Owner, Shared Facilities Unit Owner or the Developer, as the case may be, as to only that particular Unit shall end. Where title to a Unit is acquired from a party other than the Developer, the person, persons, corporation or other legal entity acquiring such Unit shall not be a Member unless and until such acquisition is in compliance with the provisions of the Declaration. New Members shall deliver to the Association a true copy of the Deed or other instrument of acquisition of title to such Unit together with a true copy of the settlement statement (if applicable), an address for purposes of receiving Notices under these By Laws and the designation of one (1) person entitled to exercise the vote for the Unit in the event the Unit is owned by one or more persons or entities, by filing with the Association a voting certificate designating the person entitled to vote for the unit. The designation in the voting certificate may be changed by the owner(s) of the Unit upon written notice to the Association. In the event the Association does not receive either the address or the designated individual, or both, the Association can conclusively use as the Notice address the address listed for the grantee on the Deed and may accept votes or member actions from any person listed on the Deed for purposes of who is authorized to vote and take action on behalf of a Unit which has multiple owners. Under no circumstance shall membership be or be deemed to be conferred upon any person having any interest in a Unit under a prohibited Occupancy Plan as described in Section 16.1 of the Declaration.

4.4 Transfer of Membership. No Member may assign, hypothecate, or transfer in any manner that Member's membership interest in the Association or that Member's share in the funds or the assets of the Association, except as an appurtenance to the Member's Unit.

Section 5. Board of Directors.

5.1 Administration. The affairs of the Association shall be governed by a Board of not less than three (3) Directors. The first Board of Directors of the Association ("First Board") shall consist of the three (3) Directors selected by the Incorporator. At each Annual Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors (which must be an odd number and not less than three (3) in number) shall be determined from time to time upon majority vote of the Members. Directors need not be Members, and they shall be elected at the Annual Meeting, except as otherwise provided in these Bylaws. At any Annual Meeting at which elections of Directors are to occur, Directors shall be elected by written ballot or voting machine.

5.2 Election of Directors. Upon the conveyance by Developer to Members other than Developer of fifteen percent (15%) or more of the Hotel Condominium Units (as evidenced by the recordation of Deeds), Members other than Developer shall be entitled to elect one-third (1/3) of the Board, which election shall take place at the Initial Election Meeting. Developer shall designate the remaining two-thirds (2/3) of the Board at the Initial Election Meeting. The Director to be so elected by the Members other than Developer and the remaining Directors to be designated by Developer are referred to as the "Initial Elected Board" and shall succeed the First Board, upon their election and qualification. Subject to Section 5.3 below, the Initial Elected Board shall serve until the next Annual Meeting, whereupon the Directors shall be designated and elected in the same manner as the Initial Elected Board. The Directors shall continue to be so designated and elected at each subsequent Annual Meeting until such time as the Members other than Developer are entitled to elect not less than a majority of the Directors on the Board. Developer reserves the right, until such time as the Members other than Developer are entitled to elect not less than a majority of the Directors on the Board, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Developer pursuant to this Section 5.2.

{File: 00158162 . 11} 12/23/2004 8:23 PM

5.3 Election of Majority Directors by Members Other Than Developer. Members other than Developer shall be entitled to elect not less than a majority of the Board upon the happening of the following events:

5.3.1. Three (3) years after fifty percent (50%) of the Hotel Condominium Units that will be operated ultimately by the Association have been conveyed to Members other than Developer;

5.3.2. Three (3) months after ninety percent (90%) of the Hotel Condominium Units that will be operated ultimately by the Association have been conveyed to Members other than Developer;

5.3.3. When all the Hotel Condominium Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to Members other than Developer, and none of the others are being offered for sale by the Developer in the ordinary course of business;

5.3.4. When some of the Hotel Condominium Units have been conveyed to Members other than Developer and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or

5.3.5. Seven (7) years after recordation of the Declaration, or as otherwise provided in Section 718.403 of the Act. The Developer is entitled (but not obligated) to designate at least one (1) member of the Board as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Hotel Condominium Units in the Condominium. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Hotel Condominium Units in the same manner as any other Hotel Condominium Unit Owner, except for purposes of reacquiring control of the Association or selecting the majority members of the Board.

5.4 Right to Relinquish. Notwithstanding Section 5.3 above, at any time upon written notice to the Association, Developer shall have the right to relinquish its right to designate a majority of the Board.

5.5 Majority Election Date; Transition of Control. The election of not less than a majority of Directors by the Members other than Developer shall occur on a date to be called by the Board for such purpose ("Majority Election Date"). On the Majority Election Date, the Members other than Developer shall elect at least two (2) Directors and the Developer, until the Developer's Resignation Event, shall be entitled to designate one (1) Director. Developer reserves the right, until the Developer's Resignation Event, to name the successor, if any, to any Director it has so designated; provided, however, Developer shall in any event be entitled to exercise any right it may have to representation on the Board as granted by law, notwithstanding the occurrence of the Developer's Resignation Event. The Board shall continue to be elected by the Members subject to Developer's right to designate a Director as specified in the Act at each subsequent Annual Meeting, until Developer is no longer so entitled. At such time, Developer shall relinquish control of the Association and Members shall accept control in accordance with the Act. Simultaneously, Developer will deliver to the Association all property of the Hotel Condominium Unit Owners and of the Association held or controlled by Developer, except that for financial records which shall be delivered no more than sixty (60) days after the election. Provided at least thirty (30) days' notice of Developer's decision to cause its designees to resign which designees are not replaced by the Developer, is given to Members, neither the Developer, nor its designees shall be liable in any manner in connection with such resignations even if the Members other than the Developer refuse or fail to assume control.

5.6 Notice of Elections. The Initial Election Meeting and the Majority Election Date shall be called by the Association, through its Board, within seventy-five (75) days after the Members other than Developer are entitled to elect a Director or the majority of Directors, as the case may be. A Notice of the election shall be forwarded to all Members in accordance with these Bylaws; provided, however, the Members shall be given at least sixty (60) days' notice of such election. The Notice shall also specify the number of Directors who are to be elected by the Members other than Developer and the remaining number of Directors who are to be designated by Developer.

5.7 Developer's Resignation Event. Developer shall cause all of its designated Directors to resign when Developer no longer holds five percent (5%) of the Hotel Condominium Units in the Condominium for sale in the ordinary course of business. In addition, Developer may at any time, in its sole discretion, cause the voluntary resignation of all of the Directors designated by it. The happening of either such event is a "Developer's Resignation Event." Upon a Developer's Resignation Event, the Directors elected by Members shall elect successor Directors to fill the vacancies caused by the resignation or removal of the Developer's designated Directors. These successor Directors shall serve until the next Annual Meeting and until their successors are elected and qualified; provided, however, nothing contained in these Bylaws shall be deemed to waive any right to representation on the Board which Developer may have pursuant to the Act. Developer specifically reserves the right to assert any right to representation on the Board it may have pursuant to the Act, notwithstanding that the Developer's Resignation Event may have previously occurred.

5.8 Vote; Proxy. Each Director shall have only one (1) vote. Directors shall not be entitled to vote by proxy or by secret ballot at any meeting of the Board of Directors, except Officers may be elected by secret ballot.

5.9 Vacancies. Vacancies on the Board occurring between Annual Meetings of the Members shall be filled by the remaining Directors, except for vacancies resulting from a recall in accordance with Section 5.11 and except for the right of Developer to fill vacancies as provided in these Bylaws. Such person shall be a Director and have all the rights, privileges, duties and obligations as a Director elected at the Annual Meeting. A Director elected by the Board to fill a vacancy shall hold office only until the next election of Directors by the Members.

5.10 Term. The term of each Director's service, except as provided in Section 5.9 of these Bylaws, shall extend until the next Annual Meeting and thereafter, until the Director's successor is duly elected, qualified and takes office, or until the Director is removed in the manner provided elsewhere in these Bylaws.

5.11 Removal of Director.

5.11.1. A Director elected by the Members other than Developer may be recalled and removed from office with or without cause upon the vote or the agreement in writing by a majority of all the Voting Interests other than the Voting Interests of the Developer. Any such recall shall be effected and a recall election shall be held, if applicable, as provided in Section 718.112(2)(j) of the Act.

5.11.2. A Director on the First Board or any designee of Developer as provided in these Bylaws may be removed from office only by Developer in its sole discretion and without any need for a meeting or vote. Developer shall have the unqualified right to name successors to Directors on the First Board or to those Directors designated by it to fill any vacancies occurring for any reason on the Board among Directors on the First Board or designees of Developer thereafter. Developer shall notify the Board as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor Director.

5.12 Organizational Meeting. The organizational meeting of any newly elected or designated Directors shall be held within ten (10) days of their election or designation at such place and time as shall be fixed by the Directors at the meeting at which they were elected or designated and without further notice to the Members, except as required by Section 718.112(2)(c).

5.13 Regular Board Meetings; Special Board Meetings. Regular meetings of the Board ("Regular Board Meetings") may be held at such time and place as shall be determined from time to time by a majority of Directors. Special Meetings of the Board ("Special Board Meetings") may be called at the discretion of the President or, in the absence or incapacity of the President, by the Vice President of the Association. Special Board Meetings must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Participation by Directors in meetings of the Board (whether Regular Board Meetings or Special Board Meetings) by telephone or another form of electronic communication is permitted subject to the requirements of § 718.112(2)(b)5 of the Act.

5.14 Notice of Board Meeting. Notice of the time, agenda and place of the organizational meeting, Regular Board Meetings and Special Board Meetings, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day specified for such meeting. Except in an emergency, Notice of a Board meeting shall be posted conspicuously on the Condominium Property at a location designated by the Board for such purpose and as more specifically set forth in the Rules and Regulations, at least forty-eight (48) continuous hours in advance for the attention of Members. Notice of any meeting where regular Assessments against Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments. Notice of a meeting where non-emergency Special Assessments or amendments to Rules and Regulations regarding Unit use will be considered shall be mailed or delivered to the Members and posted conspicuously on the Condominium Property not less than fourteen (14) days prior to the meeting. Proof of such mailing shall be given by Affidavit executed by the person providing the notice and filed among the official records of the Association. Any item not included in the Notice may be addressed on an emergency basis by all the Board, provided, the emergency action taken shall be noticed and ratified at the next Regular Board Meeting. If there is no Condominium Property or Association Property on which to post such Notices, Notices shall be mailed or delivered to each Member at least fourteen (14) days in advance of the meeting. The Shared Facilities Unit Owner shall be notified in writing, which writing may be electronic, of all Board meetings, regular or special, including those held on an emergency basis.

5.15 Waiver of Notice. Any Director may waive notice of the meeting before, during or after a meeting. Such waiver shall be deemed equivalent to the receipt of Notice by such Director. Attendance by any Director at a meeting shall constitute a waiver of Notice of the meeting, except when the Director's attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

5.16 Quorum of Directors. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except when approval by a greater number of Directors is required in any of the Condominium Documents. A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he or she votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. A vote or abstention for each Director present shall be recorded in the minutes. If a Director or a committee member submits in writing his or her agreement or disagreement with an action at a meeting that the Director or committee member did not attend, the agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a quorum.

5.17 Adjourned Meeting. If at any meetings of the Board there shall be less than a quorum present, the majority of those present entitled to vote may adjourn the meeting from time to time until a quorum is present. At any properly held adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board.

5.18 Presiding Officer. The presiding Officer at Regular or Special Board Meetings shall be the President. In the absence of the President, the Vice President shall preside, if any, or the Directors present shall designate anyone of their number to preside.

5.19 Order of Business. If a quorum is present, the order of business of Regular Board Meetings, unless waived in whole or in part by the presiding Officer, shall be:

- (i) Calling of roll and proof of due notice of meeting;
- (ii) Reading and approval of any unapproved minutes;

- (iii) Reports of Officers and committees;
- (iv) Election of Officers;
- (v) Unfinished business;
- (vi) New business; and
- (vii) Adjournment.

5.20 Executive Committee; Other Committees. The Board shall have the power to appoint an Executive Committee consisting of not less than two (2) Directors. The Executive Committee shall have and exercise such powers of the Board in the management of the business and affairs of the Condominium during the intervals between meetings of the Board to the extent permitted by law, except the Executive Committee may not: (i) determine the Common Expenses of the Condominium; (ii) determine Assessments payable by Members; (iii) adopt, amend or rescind all or part of the initial Rules and Regulations, or subsequent ones; (iv) exercise the powers enumerated in Sections 6(xii) and (xvi); (v) approve actions or proposals required by the Act, the Declaration, the Articles or these Bylaws to be approved by Members; or (vi) fill vacancies on the Board. By resolution of the Board, the Board may establish other committees (e.g., architectural, audit, beautification or grievance committees) and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall consider prudent and advisable. Meetings of the Executive Committee and of any other committee established by the Board from time to time shall be open to the Members and shall be noticed in the same manner as a Regular Board Meeting.

5.21 Open Meetings. Except when the Board is seeking or receiving legal advice from the Association's lawyer about proposed or pending litigation, meetings of the Board shall be open to all Members. Members shall have the right to participate in open meetings of the Board with reference to all designated agenda items in accordance with the Rules and Regulations governing frequency, duration and manner of participation. In addition, any Member may tape record or videotape a meeting of the Board, as set forth in the Rules and Regulations.

5.22 Minutes of Meetings. The minutes of all Board meetings shall be kept in a book available for inspection by the Members, or their authorized representatives, and the Directors at any reasonable time. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting the minutes report. Members and their authorized representatives shall have the right to make or obtain copies of the minutes at the reasonable expense of the requesting Member.

Section 6. Powers and Duties of the Board of Directors.

Subject to the delegation of such powers and duties or the right to exercise such powers and duties to the Developer, Shared Facilities Unit Owner and/or Adjoining Parcel Owner as set forth in these Bylaws, the Condominium Documents and Restrictions and Easements Agreement all as amended from time to time, all of the powers and duties of the Association existing under the Act, the Declaration, the Articles and these Bylaws shall be exercised by the Board, or its duly authorized agents, contractors or employees, subject only to the approval of the Members where their approval is specifically required. In the event of conflict as to which party has the right to exercise any powers or duties under the Act, the Condominium Documents or the Restrictions and Easements Agreement, the Shared Facilities Unit Owner or its designee shall exercise such powers and duties, and not the Board, and no consent of the Members shall be required. Such powers and duties shall include, but not be limited to, the following:

- (i) Determining the expenses required for the operation of the Condominium and the Association; and making and collecting Assessments against Members to defray the costs of the Common Expenses;
- (ii) Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board;
- (iii) Leasing, maintaining, repairing and replacing the Common Elements;
- (iv) Reconstructing Improvements in accordance with the Declaration after casualties and losses, or as a result of condemnation or eminent domain proceedings and making further authorized repairs, additions and improvements to, or alterations of the Condominium Property (this power has been specifically delegated to the Shared Facilities Unit Owner and Adjoining Parcel Owner);
- (v) Adopting, amending or rescinding reasonable Rules and Regulations for the operation and use of the Condominium Property (subject to the right of the Members to overrule the Board as provided in these Bylaws) excluding the Shared Facilities Unit, which power is vested in the Shared Facilities Unit Owner;
- (vi) Enforcing by legal means the provisions of the Condominium Documents;
- (vii) Contracting for the management, maintenance and operation of the Condominium Property and authorizing a management agent or company to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of Improvements or portions thereof for which the Association has such responsibility, with funds that shall be made available by the Association for such purposes and terminating such contracts and authorizations. The Association and its Officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including, but not limited to, the making of Assessments, promulgation of Rules and Regulations and execution of contracts on behalf of the Association;
- (viii) Paying taxes and assessments which are or may become liens against the Common Elements of the Condominium, if any, and assessing the same against Hotel Condominium Units and the Shared Facilities Unit, the payment of which is the responsibility of the Members;

{File: 00158162 . 11} 12/23/2004 8:23 PM

(ix) Purchasing and carrying adequate insurance: for the protection of the Association, the Association Property, the Common Elements, and the Condominium Property against casualty and liability; for the protection of Directors and Officers; and as otherwise required by and in accordance with the Act and the Condominium Documents;

(x) Paying costs of all power, water, sewer and other utility or other services rendered to the Condominium Property and not billed directly to Members;

(xi) Employing and dismissing the personnel necessary to administer and carry out the services required for the proper administration and purposes of the Association and paying all salaries therefor;

(xii) Maintaining bank accounts and designating signers on such accounts; retaining all official records of the Association as required by these Bylaws and the Act;

(xiii) Notifying Members if the Association may be exposed to liability in excess of insurance coverage in any legal action so that they may intervene and defend;

(xiv) Providing, at the request of Members, or their prospective grantees, or their Institutional Mortgagees, a certificate stating all Assessments and other monies owed to the Association by the Member regarding the Hotel Condominium Unit of the Member;

(xv) Purchasing, selling, mortgaging or leasing Hotel Condominium Units or other property in the name of the Association, or its designee, whether at foreclosures or other judicial sales;

(xvi) Accepting a certificate of compliance from a licensed electrical contractor or electrician as evidence that a Hotel Condominium Unit complies with applicable fire and life safety requirements;

(xvii) Imposing Fines against Members in reasonable amounts as the Board deems appropriate and in accordance with the Section 10 of these Bylaws for violating the Declaration, these Bylaws or the Rules and Regulations;

(xviii) Engaging in mandatory non-binding arbitration as provided for in Section 718.112(2)(a)2 of the Act for the settlement of "Disputes" as provided for in Section 718.1255 of the Act and as defined in the Declaration. The provisions of Sections 718.112(2)(a)2 and 718.1255 of the Act are incorporated by reference in these Bylaws (the provisions of this subsection shall apply only in the event the Condominium is a residential condominium or mixed-use condominium and not a commercial condominium);

(xix) Maintaining an adequate number of copies of the Condominium Documents, as well as the question and answer sheet referred to above and other year-end financial information, on the Condominium Property to ensure their availability to Members and prospective transferees. The Association may charge its actual costs for preparing and furnishing the foregoing to those requesting same;

(xx) Ensuring that the following contracts shall be in writing:

Any contract for the purchase, lease or rental of materials or equipment that is not to be fully performed within one (1) year from the date of execution of the contract;

Any contract, regardless of term, for the provision of services, other than contracts with employees of the Association, and contracts for attorney and accountant services, and any other service contracts exempted from the foregoing requirement by the Act;

(xxi) Obtaining competitive bids for materials, equipment and services where required by the Act;

(xxii) Granting, modifying or moving any easement that constitutes part of, or crosses, a Common Element or Association Property;

(xxiii) Conveying a portion of the Common Elements to a condemning authority for the purpose of providing utility easements, rights-of-way expansion or other public purposes, whether negotiated or as a result of eminent domain proceedings;

(xxiv) Authorizing Members or others to use parts of the Common Elements, such as social rooms and meeting rooms, if any, for private parties and gatherings with reasonable charges imposed on such use, provided, a lease is entered into between the Association and the Member or others; and

(xxv) All other powers and duties reasonably necessary to operate and maintain the Condominium in compliance with the Condominium Documents and the Act, or as specifically set forth in the Declaration, the Articles, these Bylaws, the Act, or in the Florida corporation not for profit law.

Section 7. Officers of the Association.

7.1 Administration. The executive officers of the Association shall be a President, who shall be a Director, one (1) or several Vice Presidents, a Secretary and a Treasurer ("Officers") and, if elected by the Board, an Assistant Secretary and an Assistant Treasurer. Officers of the Association shall be elected by the Board of Directors following each Annual Meeting of the Members, and shall serve at the pleasure of the Board of Directors. Any Officer may be removed from office with or without cause by vote of a majority of the Directors at any meeting of the Board. The Board

shall, from time to time, elect and designate the powers and duties of such other Officers and assistants as the Board shall find to be required to manage the affairs of the Association. Any person may hold two (2) offices that are not incompatible, except that the same person may not hold the office of President and Vice President, and the same person may not hold the office of President and Secretary or Assistant Secretary. No Officer shall sign an instrument or perform an act in the capacity of more than one office at any one time. Officers need not be Members. A vacancy in any office shall be filled by the Board.

7.2 President. The President, who shall be a Director, shall be the chief executive officer of the Association. The President shall have all of the powers and duties that are usually vested in the office of the President of an Association, including, but not limited to, the power to appoint committees from among the Members at such times as the President, in the discretion of the President, determines appropriate to assist in conducting the affairs of the Association. The President shall preside at all meetings of the Board.

7.3 Vice President. The Vice President(s) shall generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc. and shall be called upon in such order to exercise the powers and perform the duties of the President if the President is absent or incapacitated.

7.4 Secretary. The Secretary shall keep the minutes of all meetings of the Board and of the Members. The Secretary shall have custody of the seal of the Association and shall affix the seal to instruments requiring a seal when duly signed. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President, including, without limitation, preparing, posting and sending all Notices. The Secretary shall perform all other duties incident to the office of Secretary. The Assistant Secretary, if any, shall assist the Secretary and shall perform the duties of the Secretary when the Secretary is absent.

7.5 Treasurer. The Treasurer shall have custody of all the property of the Association, including funds, securities and evidences of indebtedness. He or she shall keep the Assessment rolls, the accounts of the Members and the books of the Association in accordance with good accounting practices. The records of the Treasurer shall be made available to the Board for examination at all reasonable times. The Treasurer shall regularly report to the Board on the finances of the Association and help prepare the annual Budget of the Association. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by the majority of the Board from time to time. The Treasurer shall perform all other duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer and shall perform the duties of the Treasurer whenever the Treasurer is absent.

7.6 Removal from Office. No Officer appointed by the Developer may be recalled or removed from office, except as provided in these Bylaws by Developer or by law.

Section 8. Compensation.

Neither Directors nor Officers shall receive compensation for their services. The compensation, if any, of all other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director or an Officer as an employee of the Association or preclude the Board from contracting with a Director or an Officer for the management of the Condominium. Directors and Officers may be reimbursed for all pre-approved actual and proper out-of-pocket expenses incurred by such Director or Officer in the proper discharge of his or her duties.

Section 9. Resignation.

Any Director or Officer may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall be effective on receipt unless it specifically states a fixed date in the resignation. If a fixed date is specified in the resignation, the resignation shall be effective from the specified date unless withdrawn. Acceptance of the resignation shall not be required to make the resignation effective. The conveyance of all Hotel Condominium Units owned by a Director or an Officer (other than designees of Developer or Directors or Officers who are not Members) shall constitute a written resignation of such Director or Officer.

Section 10. Enforcement of the Condominium Documents; Fees.

10.1 Procedure. In the case of a violation (other than the nonpayment of an assessment) by a Hotel Condominium Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws, or any lawfully adopted rules and regulations for which the Association has enforcement rights (the Association has no enforcement rights against the Shared Facilities Unit or Shared Facilities Unit Owner), the Association by direction of its Board of Directors may transmit to the Hotel Condominium Unit Owner by certified mail return receipt requested, a notice of the violation. The Association shall thereafter have the right take any of the following actions, with or without granting the Hotel Condominium Unit Owner an opportunity to cure, and for any duration in the event of opportunity to cure, depending upon the nature of the violation:

- (i) File an action to recover for its damages on behalf of the Association or on behalf of other Unit Owners.
- (ii) File an action for injunctive relief requiring the offending Unit Owner to take or desist from taking certain actions.
- (ii) File an action for both damages and injunctive relief.

A Unit Owner may bring an action against the Association or any Director for damages, injunctive relief, or both, if the Association, or a Director willfully and knowingly, fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws or the Rules and Regulations.

The foregoing action may be taken in addition to the Association's right to impose fines as set forth below.

A non-exclusive optional procedure for Board enforcement of the Condominium Documents, including the Rules and Regulations, shall be as follows:

10.1.2. First Offense (1st Notice). When the Association becomes aware of the noncompliance with any provision of the Declaration, these Bylaws or the Rules and Regulations by an Authorized User, the Association shall send a certified letter to the Member advising him or her that the Authorized User has been accused of violating ("Notice of Violation") and warning that strict compliance with the Declaration, these Bylaws and the Rules and Regulations will be required. Each day on which a violation occurs shall be deemed to be a separate offense.

10.1.3. Second Offense (2nd Notice). If the Association receives a second report that a violation has been repeated or has been continued beyond the time specified within the first Notice of Violation, the Board, after verifying the violation, may authorize a fine to be levied upon the Member ("Fine"). The Fine for a second offense may not exceed the maximum amount permitted by the Act. A second Notice of a Violation shall be sent to the Member by certified mail, and shall provide to the Member and, if applicable, the Authorized User, an opportunity for a hearing before the Board, or any committee empowered by the Board to hear and rule on matters of these type ("Grievance Committee"). This second Notice of Violation shall further explain that, pursuant to Section 718.303(3) of the Act, a Fine may be levied for this and future repeat offenses with this second Notice of Violation as the single notice and opportunity for hearing provided to the Member. The party against whom the Fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered. The affected Member, whether the offending party or not, shall always be given Notice of Violation. If the Board or the Grievance Committee, as the case may be, does not agree with the Fine, the Fine may not be levied. No Fine imposed by the Association shall become a lien against a Hotel Condominium Unit. No Fines may be levied against unoccupied Hotel Condominium Units.

10.1.4. Third Offense (3rd Notice). If the Association receives a third report that a violation has been repeated or has continued beyond the time specified within the second Notice of Violation, the Member may be charged a Fine in an amount not to exceed the maximum amount permitted by the Act, following verification of the violation by the Board.

10.1.5. Fourth Offense. For repeated offenses, or in any case where the Board considers it appropriate, the Board may seek injunctive relief through court action. In addition, a Fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided, that no such Fine shall in the aggregate exceed the amount set forth in Section 718.303(3) of the Act.

10.2 Variances. Any Member may appear before the Board to seek an exemption from or variance in the applicability of any Rule and Regulation as it relates to the Member on grounds of undue hardship or other special circumstances.

10.3 Late Fees. A Member who fails to timely pay any Assessment shall be charged a Late Fee by the Association in an amount not to exceed the maximum amount permitted by the Act. Members shall be responsible to pay all Legal Fees incurred in connection with the collection of late Assessments whether or not an action at law to collect the Assessment and foreclose the Association's lien has been commenced.

10.4 Limitations. The existence of the Association's right to impose a Fine or charge a Late Fee as provided in these Bylaws shall not preclude nor limit its right to seek any other enforcement method or remedy, provided, it is: (i) pursuant to the Condominium Documents; (ii) at law; or (iii) in equity and is separate from any rights granted to the Shared Facilities Unit Owner and Adjoining Parcel Owner under the Condominium Documents and Restrictions and Easements Agreement.

10.5 Written Inquiries by Members. Complaints or inquiries to the Board from Members must be in writing and delivered by certified mail. Copies of such complaint or inquires shall be delivered to the Shared Facilities Unit Owner within three (3) days of receipt thereof unless such complaint or inquiry is subject to the protections afforded by § 718.111(12)(c)(1), Florida Statutes. The Board must respond in writing within thirty (30) days of receipt. Its response either must contain a: (i) substantive response; or (ii) notice that a legal opinion has been requested. If the Board has requested a legal opinion, the Member must receive a substantive response within sixty (60) days after receipt of such complaint or inquiry. The Board is only obligated to respond to one (1) written complaint or inquiry per Hotel Condominium Unit in any given 30-day period. Additional complaints or inquiries from the Member must be responded to in the next 30-day period or periods.

10.6 Arbitration. All issues or disputes that are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for mediation or arbitration shall be resolved through alternative dispute resolution procedures instead of civil litigation.

Section 11. Accounting Records; Fiscal Management.

11.1 Accounting Records.

11.1.1. The Association shall maintain the official records of the Association in accordance with Section 718.111(12) of the Act, which records shall be open to inspection by Members and owners of mortgages on Hotel Condominium Units and the Shared Facilities Unit or their authorized representatives at reasonable times, excluding official records of the Association that are not accessible to Members under the Act. The Association may charge Members, owners of mortgages on Hotel Condominium Units or the Shared Facilities Unit or their authorized

representative its actual costs for preparing and furnishing copies of the documents including, but not limited to, the Declaration, Articles, Bylaws, Rules and Regulations, question and answer sheet and any amendment to the foregoing to those requesting same. Authorization of a representative of a Member must be in writing, signed by the Member giving the authorization and dated within ten (10) working days before the date of the inspection. The official records of the Association shall include, but not be limited to, accounting records for the Association maintained according to good accounting practices for a period of not less than seven (7) years. Accounting records so maintained by the Association shall include, but are not limited to: (i) accurate, itemized and detailed records of all receipts and expenditures; (ii) a current account, and a quarterly statement of the account for each Hotel Condominium Unit or as reported at such interval as may be required by the Act, designating the name of the Member, the due date and amount of each Assessment, the amount paid upon the account, and the balance due; (iii) all audits, reviews, accounting statements and financial reports of the Association; and (iv) all contracts for work to be performed, and such bids shall be considered official records and maintained for a period of one (1) year.

11.1.2. A financial report of the Association for the previous twelve (12) months ("Report") shall be prepared by an accountant or Certified Public Accountant in accordance with 718.111(13) of the Act within ninety (90) days after the end of the fiscal year. The Report shall be prepared consistent with the requirements of Rule 61B-022.006, of the Rules, notwithstanding that a commercial condominium may not be subject to the Rules, and a copy of the Report shall be furnished to each Member upon written request in accordance with the Act. The Report shall be deemed to be furnished to the Member upon its delivery or mailing to the Member at the last known address shown on the books and records of the Association. The Report will include account classifications designated in the Act, if applicable, and accounts otherwise included at the Board's discretion.

11.2 Budget.

11.2.1. The Board shall prepare a budget for the Common Expenses of the Association, determine the amount of Assessments payable by the Members to meet the expenses of the Condominium and allocate and assess such expenses among the Members in accordance with the provisions of the Declaration ("Budget") for each forthcoming fiscal year ("Budget Year"). The adoption of the proposed Budget shall occur at a Special Board Meeting ("Budget Meeting") called for that purpose in October or November prior to the applicable Budget Year. Prior to the Budget Meeting, a proposed Budget shall be prepared by or on behalf of the Board, which proposed Budget shall include, but not be limited to, the following items of expense:

- (i) Administration of the Association;
- (ii) Utilities;
- (iii) Management Fees;
- (iv) Maintenance;
- (v) Rent for recreational and other commonly used facilities;
- (vi) Taxes upon Association property;
- (vii) Taxes upon leased areas;
- (viii) Insurance;
- (ix) Security provisions;
- (x) Other expenses;
- (xi) Operating capital;
- (xii) Reserves for Capital Expenditures and Deferred Maintenance;
- (xiii) Fees payable to the Division, if applicable; and
- (xiv) Other expenses and costs.

11.2.2. The Budget constitutes an estimate of the expenses to be incurred by the Association for and on behalf of the Condominium.

11.2.3. The Board shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the Condominium Property, if any, not included within the Hotel Condominium Units or Shared Facilities Unit. The Budget shall include, on an annual basis, the establishment of reserve accounts for capital expenditures and deferred maintenance of the Condominium Property, if any, not included within the Hotel Condominium Units or Shared Facilities Unit. Such reserve accounts shall include, but not be limited to, roof replacement, roadway resurfacing and building exterior repainting (to the extent same are the responsibility of the Association) regardless of the amount of deferred maintenance expense or replacement cost, and for any other items for which the deferred maintenance expense or replacement cost exceeds Ten Thousand Dollars (\$10,000) provided that any of such items are a part of the Common Elements. If such items are not a part of the Common Elements, then reserves shall not be applicable to them. For example, and not by way of limitation, the roof and exterior of the building are a part of the Shared Components and the roadway is a part of the Adjoining Parcel, none of which are Common Elements. The amount to be reserved for Common Elements, if any, shall be computed by means of a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Shared Facilities Unit Owner shall compute the amount of reserves for the Shared Components using a formula it deems to be appropriate in its sole and absolute discretion. The Association may adjust replacement reserve accounts annually, if any are applicable to the Common Elements, to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. Notwithstanding any other provisions to the contrary contained in these Bylaws, in the event that, by a majority vote of Members at a duly called meeting of the Association, less than a full reserve or no reserve for deferred maintenance and replacement for items that are a part of the Common Elements is elected, then the applicable Budget shall be based on such lesser reserves or no reserves, as the case may be. Reserve funds relating to the Common Elements and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the Voting Interests voting, in person or by proxy, at a duly called meeting of the Association. Pursuant to paragraph 12.1 of the Declaration, the Shared Facilities Unit Owner may impose the collection of reserves upon Hotel Condominium Unit Owners from time to time as a part of the Shared Costs. The Hotel Condominium Unit Owners shall have no right to vote on the collection or waiver of such reserves, and such funds and any interest accruing thereon shall be for the sole and exclusive benefit of the Shared Facilities Unit Owner.

11.2.4. Copies of the applicable proposed Budget and Notice of the exact time and place of the Budget Meeting shall be delivered or mailed to each Member at the Member's last known address, as reflected on the books and records of the Association, not less than fourteen (14) days prior to the Budget Meeting, and the Budget Meeting shall be open to the Members. Proof of such delivery or mailing shall be given by Affidavit executed by a person providing the Notice and filed among the official records of the Association.

11.2.5. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred by the Association in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one (1) calendar year for Common Expenses which cover more than such calendar year; (iv) Assessments shall be made not less frequently than monthly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current expenses and for all unpaid expenses previously incurred; and (v) expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, Assessments shall be of sufficient magnitude to ensure an adequacy and availability of cash to meet all budgeted expenses and anticipated cash needs in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting. The method of accounting shall substantially conform to generally accepted accounting standards and principles.

11.2.6. No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses not included in a Budget or which shall exceed budgeted items, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from expenses being greater than income from Assessments, then such deficits shall be carried into the applicable Budget for the next succeeding year as a deficiency or shall be the subject of a Special Assessment to be levied by the Board as otherwise provided in the Declaration.

11.2.7. The Board may also include in the proposed Budget a sum of money as an assessment for the making of betterments to the Condominium Property, excluding the Shared Facilities Unit unless approved in writing by the Shared Facilities Unit Owner, and for anticipated expenses by the Association that are not anticipated to be incurred on a regular or annual basis. This sum of money so fixed may then be levied upon the Members by the Board as a Special Assessment and shall be considered an "Excluded Expense" under Section 11.3.1 of these Bylaws.

11.3 Adoption of Budget.

11.3.1. Should the Budget adopted by the Board at the Budget Meeting require Assessments against Members in an amount that is not greater than one hundred fifteen percent (115%) of the preceding year's Assessments, the Budget shall be considered approved by all Members. If, however, the Assessments required to meet the Budget exceed one hundred fifteen percent (115%) of the Assessments against the Membership for the preceding year ("Excess Assessment"), then the provisions of Sections 11.3.2 and 11.3.3 shall be applicable. There shall be excluded in the computation of the Excess Assessment certain expenses ("Excluded Expenses") as follows:

- (i) Reasonable reserves, if any, for repair or replacement of any portion of the Condominium Property;
- (ii) Expenses of the Association that are not anticipated to be incurred on a regular or annual basis; and
- (iii) Expenses for betterments to the Condominium Property.

11.3.2. Should the Excess Assessment be adopted by the Board, upon delivery to the Board, within twenty-one (21) days after the date of such adoption ("Adoption Date"), of a written application requesting a Special Meeting signed by at least ten percent (10%) of the Voting Interests of the Condominium Units, the Board shall call a Special Meeting to be held, upon not less than fourteen (14) days' written Notice of Special Meeting to each Member, within sixty (60) days after the Adoption Date. Proof of such delivery or mailing shall be given by Affidavit executed by a person providing the Notice and filed among the official records of the Association. At the Special Meeting, the Members shall consider the adoption of a substitute budget. The adoption of the substitute budget shall require a vote of not less than a majority of all Voting Interests (including any Condominium Units owned by the Developer). The Board may propose budget revisions to the Members at the Special Meeting or in writing, and, if a substitute budget is enacted at the Special Meeting or in writing, then the substitute budget shall be, as to the Common Expenses, incorporated into the final Budget. If no written application is delivered to the Board as provided above, or if a substitute budget is not adopted by the Members, or if there is not a quorum at the Special Meeting, the Budget originally adopted by the Board shall be the final Budget and shall go into effect as scheduled.

11.3.3. Until after the Majority Election Date, the Board shall not impose an Assessment pursuant to a Budget for any year that is greater than one hundred fifteen percent (115%) of the prior fiscal year's Assessment without approval of a majority of all Voting Interests of Members to be so assessed.

11.4 Allocation of Common Expenses.

11.4.1. The Common Expenses shall be apportioned to each Member based upon his or her Percentage Share of Common Expenses, as provided in the Declaration.

11.4.2. Notwithstanding the allocation to each Hotel Condominium Unit of its Percentage Share of Common Expenses, a Member shall also be liable for any Special Assessments levied by the Board against his or her Hotel Condominium Unit as provided in the Condominium Documents. The Association shall collect Assessments and Special Assessments for Common Expenses from a Member in the manner set forth below.

11.5 Depository. The depository of the Association shall be such federally insured bank or banks in the County as shall be designated from time to time by the Board and in which the monies of the Association shall be

{File: 00158162 . 11} 12/23/2004 8:23 PM

deposited. All funds shall be maintained separately in the Association's name, and reserve and operating funds of the Association may be commingled for investment purposes only. Commingled operating and reserve funds shall be accounted for separately, and a commingled account shall not, at any time, be less than the amount identified as reserve funds. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board. Notwithstanding the foregoing, the President and/or the Treasurer of the Association shall be authorized to sign checks on behalf of the Association, unless otherwise specified by resolution of the Board.

11.6 Alternative Budget Adoption by Members. If the Board is not able to adopt a Budget for a fiscal year in accordance with Section 11.2.1 above, the Board may propose a Budget to the Members at a Special Meeting, or in writing. If the proposed Budget is adopted by the Members at the Special Meeting, or in writing, by a majority of all Voting Interests, and ratified by a majority of the Board, it shall become the Budget for the year. Failure to timely adopt a Budget shall not alter or abrogate the obligation of a Member to pay Common Expenses.

Section 12. Assessments and Collection.

12.1 Assessments, Generally. Assessments against Members for their share of the items of the Budget shall be made for the calendar year annually in advance on or before December 20th of the preceding year. Those Assessments shall be due in equal installments not less frequently than monthly in the discretion of the Board of Directors and shall be payable on the first day of each month. Assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses of the Association and for all of the unpaid operating expenses previously incurred by the Association. Assessments shall be collected against Units in the Percentage Shares provided in the Declaration.

12.2 Special Assessments. The specific purpose or purposes of any Special Assessment, including emergency assessments, that cannot be paid from the annual Assessment for Common Expenses, as determined by the Board of Directors, shall be set forth in a written Notice of Special Assessment sent or delivered to each Member. The Notice of Special Assessment shall be sent or delivered within the time before the payment or initial payment thereunder shall be due, as may be reasonable or practicable in the circumstances. Special Assessments shall be paid at the times and in the manner that the Board may require in the Notice of Special Assessment, provided, at least ten (10) days' notice is given. The funds collected pursuant to a Special Assessment shall be used only for the specific purpose or purposes set forth in such Notice; provided, however, that upon completion of such specific purpose or purposes any excess funds shall be considered Common Surplus, and at the discretion of the Board, may be either returned to the Members or applied as a credit toward future Assessments.

12.3 Charges for Other than Common Expenses. Charges by the Association against individual Members for other than Common Expenses shall be payable in advance, and the billing and collection thereof may be administered by the Association. Charges for other than Common Expenses may be made only after approval of a Member, or when expressly provided for in the Declaration or other Condominium Documents. Charges may include, without limitation, charges for the use of the Condominium Property, maintenance services furnished at the expense of a Member, other services furnished for the benefit of a Member and damages, Fines, Late Fees, Legal Fees and other sums due from such Member.

12.4 Liability for Assessments. Each Member, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all Assessments that come due while he or she is a Member. The Member and grantee are jointly and severally liable for all unpaid Assessments that came due up to the time of transfer of title. The grantee acquiring title shall pay the amount owed to the Association within thirty (30) days after transfer of title. Failure to pay the full amount when due entitles the Association to record a claim of lien against the Condominium Parcel and proceed in the same manner as provided in this Section for the collection of unpaid Assessments. A mortgagee or its successor or assignee who acquires title to a Hotel Condominium Unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

12.4.1. the Hotel Condominium Unit's unpaid Common Expenses and regular periodic Assessments that accrued or came due during the six (6) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or

12.4.2. one percent (1%) of the original mortgage debt.

The provisions of this Section shall not apply unless the mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location that was known to or reasonably discoverable by the mortgagee.

A Member's liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Hotel Condominium Unit for which the Assessments are made.

12.5 Assessments; Amended Budget. If the annual Assessment proves to be insufficient, the Budget (excluding the Shared Facilities Unit Budget and Adjoining Parcel Budget) and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the year for which an amended Assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the Budget Year as of the date of the amended Assessment. The Budget shall not be amended for emergency or special nonrecurring expenses.

12.6 Collection: Interest, Application of Payment. Assessments and installments on them, if not paid within ten (10) days after the date they become due, shall bear interest calculated from their due date at the rate of eighteen percent (18%) per year until paid. In addition, the Association may charge a Late Fee in an amount not to exceed the greater of Twenty-Five Dollars (\$25.00) or five percent (5%) of each installment of the Assessment for each Assessment or installment on them that is late. All payments received by the Association shall be applied first to interest accrued by

the Association, then to Late Fees, then to Legal Fees, and then to the payment of the Assessment or installments on them then due.

12.7 Lien for Assessment. The Association has a lien on each Condominium Parcel to secure the payment of Assessments. The lien is effective for one (1) year after the claim of lien is recorded in the Public Records of the County unless, within that time, an action to enforce the lien is commenced. The claim of lien shall secure all unpaid Assessments that are due and that may accrue after the recording of the claim of lien and before the entry of a certificate of title, as well as interest and all Legal Fees incurred by the Association incident to the collection process. The lien is subordinate to any mortgage lien on the Condominium Parcel recorded before it.

If a Member is in default in the payment of an installment upon the Member's Assessment, the Board, or any agent of the Board or the Association, shall have the right to accelerate the remaining installments of the Assessments upon notice to the Member. The then unpaid balance of the Assessment for the balance of the year shall be due upon the date in the Notice, but not less than five (5) days after delivery of such Notice, or not less than ten (10) days after the mailing of such Notice by certified mail, whichever shall first occur.

12.8 Collection: Suit, Notice. The Association may bring an action to foreclose any lien for Assessments in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid Assessment without waiving any claim of lien. In either action, the Association shall be entitled to recover its Legal Fees. The Association shall give Notice to the Member of its intention to foreclose its lien at least thirty (30) days before the foreclosure action is filed. The Notice shall be given by delivery of a copy of it to the Member or by certified or registered mail, return receipt requested, addressed to the Member at the last known address shown on the books and records of the Association.

Section 13. Rules and Regulations.

13.1 Adoption. The Board may, by a majority vote of Directors present at a meeting of the Board at which a quorum is present, or by written consent of a majority of Directors in lieu of convening a meeting, adopt Rules and Regulations governing the operation and use of the Common Elements, Condominium Property (excluding the Shared Facilities Unit), Association Property and the recreational or other facilities serving the Condominium, if any, not included within the Shared Facilities Unit. From time to time, the Board may adopt, amend, modify or rescind all or part of the Rules and Regulations at any meeting of the Board, provided, such Rules and Regulations are not inconsistent with the Condominium Documents, detrimental to sales of Hotel Condominium Units by Developer, the operations of the Adjoining Parcel, alone or in conjunction with the Condominium, or interfere with any of the rights granted in the other Condominium Documents, including those rights granted to the Shared Facilities Unit Owner in the Declaration and the Adjoining Parcel Owner in the Agreement.

13.2 Modifications. Rules and Regulations adopted, amended, modified or rescinded by the Board after the Developer transfers control of the Association to the Members, may be overruled, in whole or in part, by two-thirds (2/3) vote of the Members. Copies of any Rules and Regulations adopted, amended, modified or rescinded shall be furnished to all Members at their last known address shown on the books and records of the Association not less than thirty (30) days prior to their effective date, unless there is an emergency, in which case the Rules and Regulations shall become effective immediately.

13.3 Posting. A copy of the Rules and Regulations, and each subsequent adoption, amendment, modification or rescission that is adopted by the Board from time to time, shall be posted in the conspicuous space designated by the Board for postings on the Condominium Property and set forth in the Rules and Regulations.

13.4 Limitations. The Board may not unreasonably restrict any Member's right to peaceably assemble or to invite public officers or candidates for public office to appear and speak in the Common Elements, Condominium Property, Association Property, or recreational facilities. The Board may not deny any resident in the Condominium, whether Member or Tenant, access to any available franchised or licensed cable television service or exact a charge or anything of value in excess of charges normally paid for like service by residents of single-family homes within the same franchise or license area. Each Rule and Regulation adopted by the Board must be reasonably related to the promotion of the happiness, health, peace of mind or safety of the Members and uniformly applied and enforced.

Section 14. Parliamentary Rules.

Except when specifically or impliedly waived by the chairman of the meeting, the then latest edition of Robert's Rules of Order shall govern the conduct of meetings of this Association when not in conflict with the Condominium Documents or the Act. In the event of a conflict, the provisions of the Condominium Documents and the Act shall govern. It is the announced policy of this Association that its meetings be conducted in an orderly manner, but that a strict or technical application of said Parliamentary rules shall not be allowed to frustrate the proper conducting of the Association's business and the reasonable participation of Members in its meetings.

Section 15. Amendments of the Bylaws.

15.1 Notice and Adoption. These Bylaws may be amended by the affirmative vote of not less than eighty percent (80%) of all Voting Interests of Members entitled to vote on the amendment, either in person or by proxy, at a properly held Annual Meeting or Special Meeting of the Membership, and by the approval of a majority of the Board at a Regular Board Meeting or Special Board Meeting. No amendment directly or indirectly affecting the Shared Facilities Unit or Shared Facilities Unit Owner shall be effective without the consent of the Shared Facilities Unit Owner. A copy of the proposed amendment shall be sent to each Member with Notice of Annual Meeting or Notice of Special Meeting at which the proposed amendment is to be considered. An amendment may be approved at the same meeting of the Board and/or Members at which such amendment is proposed.

15.2 Proposals. An amendment may be proposed either by a majority of the Board or by not less than one-fifth of the Voting Interests of the Association. Proposals to amend existing Bylaws shall contain the full text of the

Bylaws to be amended. New words shall be inserted and underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this marking procedure would hinder rather than assist the reader in understanding the proposed amendment, in lieu of using the marking procedure a notation must be inserted immediately preceding the proposed amendment stating "Substantial rewording of bylaw. See bylaw . . . for present text."

15.3 Limitation. No modification or amendment to these Bylaws shall be adopted that would conflict or interfere with the Act or the Declaration, or would affect or impair the priority of any guarantor, holder or insurer of a mortgage lien on any Unit, the validity of such mortgage lien, or affect, diminish or impair any right of the Developer.

15.4 Recording. A copy of each amendment shall be attached to or included in a certificate certifying that the amendment was duly adopted as an amendment of the Bylaws. The certificate, which shall identify the first page of the book and page of the Public Records where the Declaration of Condominium operated by the Association is recorded, shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, and if such amendment requires the consent of the Shared Facilities Unit Owner, the joinder therein by execution thereof, with the formalities of a deed, by the Shared Facilities Unit Owner. The amendment shall become effective when the certificate and a copy of the amendment are executed by all appropriate parties and recorded in the Public Records.

Section 16. Fidelity Bonding.

The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association in accordance with Section 718.111(11)(d) of the Act. The premiums on such insurance or bonds shall be paid as a Common Expense.

Section 17. Restrictions on and Requirements for Use, Maintenance and Appearance of the Hotel Condominium Units.

17.1 Where Contained. Restrictions on and requirements for the use, maintenance, and appearance of the Hotel Condominium Units and use of the Common Elements are set forth in the Declaration, and no amendment to those restrictions, requirements or both shall be contained elsewhere than in the Declaration as adopted by a vote of the Members conducted in the manner prescribed in the Declaration.

17.2 Tests for Validity of Restrictions. Restrictions and requirements contained in the Declaration and in any amendment duly and properly adopted by a vote of the Members shall be valid and in the nature of covenants running with the land, unless it is shown that they: (1) are wholly arbitrary in their application; (2) are in violation of public policy; or (3) abrogate some fundamental constitutional right.

Section 18. Liability Survives Membership Termination.

Termination of membership in the Association shall not relieve or release a former Member from any liability or obligation incurred with respect to the Condominium during the period of membership nor impair any right or remedy that the Association may have against the former Member arising out of membership in the Association and the former Member's covenants and obligations incident to that membership.

Section 19. Limitations on Member Liability For Use of the Common Elements.

Each Member may be personally liable for the acts or omissions of the Association relating to the use of the Common Elements. That liability shall be shared with the other Members in the same percentages as their Percentage Shares in the Common Elements. No individual Member's liability shall exceed the value of his or her Hotel Condominium Unit.

Section 20. Curative Provisions.

Pursuant to F.S. 718.110(10) of the Act, the Association or a Unit Owner may petition the circuit court having jurisdiction in the county in which the Condominium property is situated to correct an error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the Declaration or the Act. In any case, after three years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a Condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

The foregoing Bylaws were adopted as the Bylaws of the Fort Lauderdale Residences Hotel Condominium Association, Inc. on _____, 200__.

FORT LAUDERDALE RESIDENCES HOTEL
CONDOMINIUM ASSOCIATION, INC.

By: _____
_____, President

ATTEST:

Secretary